



QUICK REFERENCE TO SBA LOAN GUARANTY PROGRAMS

Program	Maximum Amount	Percent of Guaranty	Use of Proceeds	Maturity	Maximum Interest Rates	Guaranty Fees	Who Qualifies	Benefits
7(a) Loans	\$5 million gross (\$3.75 million guaranty)	85% guaranty for loans of \$150,000 or less; 75% guaranty for loans greater than \$150,000, up to \$3.75 million	Term Loan. Expansion/renovation; new construction; purchase land or buildings; purchase equipment, fixtures, lease-hold improvements; working capital; refinance debt for compelling reasons; seasonal line of credit, inventory; starting a business	Depends on ability to repay. Generally, working capital & machinery & equipment (not to exceed life of equipment) is 5-10 years; real estate is 25 years.	Loans less than 7 years: \$0 - \$25,000 Prime + 4.25% \$25,001 - \$50,000 P + 3.25% Over \$50,000 Prime + 2.25% Loans 7 years or longer: 0 - \$25,000 Prime + 4.75% \$25,001 - \$50,000 P + 3.75% Over \$50,000 Prime + 2.75%	Fees charged on guarantied portion of loan only. Maturity 1 year or less: 0.25% guaranty fee Maturity more than 1 year: FY2017: \$150,000 or less = 0% guaranty fee \$150,001 - \$700,000 = 3.0% Over \$700,000 = 3.5% Guarantied portion over \$1 million = 3.75% Annual servicing fee = 0.546%	Must be a for profit business & meet SBA size standards; show good character, credit, management, and ability to repay. Must be an eligible type of business. Prepayment penalty for loans with maturities of 15 years or more if prepaid during first 3 years. (5% year 1, 3% year 2, and 1% year 3) 7(a) Small Loans \$350,000 and less - all loan applications will be credit scored by SBA prior to loan approval or loan number. If score below 140 the loan can be submitted via SBAExpress	Long-term financing; Improved cash flow; Fixed maturity; No balloons; No prepayment penalty (under 15 years)
SBAExpress Lender approves. Minimal SBA paperwork.	\$350,000	50%	May be used for revolving lines of credit (up to 7 year maturity) or for a term loan, same as 7(a).	Up to 7 years for Revolving Lines of Credit, including term out period. Otherwise, same as 7(a).	Loans \$50,000 or less: Prime + 6.5% Loans over \$50,000: Prime + 4.5%	Same as 7(a) Loans	Same as 7(a) Loans	Fast turnaround; Streamlined process; Easy-to-use line of credit
SBA Veterans Advantage 10/01/17—09/30/17 Guaranty fee reduction for 7(a) and SBAExpress loans to small businesses owned by qualified veterans or service members.	Same as 7(a) and SBAExpress	See 7(a) and SBAExpress	See 7(a) and SBAExpress	See 7(a) and SBAExpress	See 7(a) and SBAExpress	SBAExpress loans = 0% 7(a) loans: \$150,000 or less = 0% \$150,001 - \$500,000 = guaranty fee reduced by 50% Annual servicing fee same as 7(a) Loans	Same as 7(a) plus business must be owned and controlled by individual(s) in following groups: <ul style="list-style-type: none">• Veterans or Service-Disabled Veterans• Active Duty Military participating in TAP• Reservist and National Guard Members• Current spouse• Widowed spouse of service member who died during service or of a service-connected disability	Guaranty fee reduction for SBAExpress loans and 7(a) loans greater than \$150,000
CAPLine 1. Working Capital 2. Contract 3. Seasonal 4. Builders	\$5 million	Same as 7(a)	Finance seasonal and/or short-term working capital needs; cost to perform; construction costs; advances against existing inventory and receivables; consolidation of short-term debts. May be revolving.	Up to 10 years, except Builder's CAPLine, which is 5 years	Same as 7(a)	Same as 7(a)	Same as 7(a), plus all lenders must execute Form 750 & 750B (short-term loans)	1. Working Capital - revolving line of credit 2. Contract - can finance all costs (excluding profit) 3. Seasonal - seasonal working capital needs 4. Builder - finances direct costs with building a commercial or residential structure

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International Trade	\$5 million	90% guaranty, up to \$4.5 million maximum guaranty Up to \$4 million maximum guaranty for working capital	Term loan for permanent working capital, equipment, facilities, land and buildings and debt refinance related to international trade	Up to 25 years	Same as 7(a)	Same as 7(a)	Same as 7(a), plus engaged or preparing to engage in international trade or adversely affected by competition from imports.	Long term financing to allow small business to compete more effectively in the international marketplace.
Export Working Capital Program	\$5 million	90% guaranty, up to \$4.5 million maximum guaranty	Short-term, working-capital loans for exporters. May be transaction based or asset-based. Can also support standby letters of credit.	Generally one year or less, may go up to 3 years	No SBA maximum interest rate cap, but SBA monitors for reasonableness.	Same as 7(a)	Same as 7(a), plus need short-term working capital for exporting	Additional working capital to increase export sales without disrupting domestic financing and business plan.
Export Express	\$500,000	90% guaranty for loans \$350,000 or less; 75% guaranty for loans greater than \$350,000	Same as SBAExpress plus standby letters of credit	Same as SBAExpress	Same as SBAExpress	Same as 7(a)	Applicant must demonstrate that loan will enable them to enter a new, or expand in an existing export market. Business must have been in operation for at least 12 months (though not necessarily in exporting).	Faster turnaround Streamlined process Easy-to-use line of credit

504 Loans	504 CDC maximum amount ranges from \$5 million to \$5.5 million, depending on type of business.	Project costs financed: CDC: up to 40% Lender: 50% Equity: 10% plus 5% if new business and/or 5% if special use property	Long-term, fixed-asset loans; Lender (non-guaranteed) financing secured by first lien on project assets. CDC loan provided from SBA 100% guaranteed debenture sold to investors at fixed rate and secured by 2nd lien	CDC Loan: 10- or 20-year term fixed interest rate. Lender Loan: Unguaranteed financing may have a shorter term. May be fixed or adjustable interest rate	Fixed rate on 504 Loan established when the debenture is sold. Declining prepayment penalty for 1/2 of term.	0.5% fee on lender share, plus CDC may charge up to 1.5% on its share. CDC charges a monthly servicing fee of 0.625%-1.5% on unpaid balance Ongoing guaranty fee is 0.731% of principal outstanding. Ongoing fee % does not change during term.	Alternative Size Standard: For-profit businesses that do not exceed \$15 million in tangible net worth, and do not have an average two full fiscal year net income over \$5 million Owner Occupied 51% for existing or 60% for new construction	Low down payment - equity (10%-20%); The equity contribution may be borrowed; Fees can be financed; SBA Portion: Long-term fixed rate Full amortization No balloons
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Microloans	\$50,000	Not applicable	Purchase machinery & equipment, fixtures, leasehold improvements; working capital; etc. Cannot be used to repay existing debt.	Shortest term possible, not to exceed 6 years.	Negotiable with intermediary. Subject to either 7.75% or 8.5% above intermediary cost of funds.	No guaranty fee	Same as 7(a)	Direct loans from nonprofit intermediary lenders; Fixed-rate financing; Very small loan amounts; Technical assistance available
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North Dakota District Office

Fargo 701-239-5131

Bismarck 701-250-4303

Grand Forks 701-746-5160

www.sba.gov/content/nd-lender-information/

U.S. Small Business Administration

Information current as of October 2016

SBA programs and services are provided on a nondiscriminatory basis.